

Working for a strong community role in Children and Family Support reform

Since reforms to Australian Government services for children and families were announced in October 2025, PLACE has worked for a strong role for communities in local program design and delivery. The Children and Family Support program (CaFS) announced in the budget aligns with a number of recommendations from PLACE's Families and Children (FaC) Activity consultation submission, including through:

- Outcomes Contracting, which enables a framework for engaging communities across the establishment, delivery, and review stages.
- streamlined recommissioning that builds on existing provider and community relationships, aligns to local priorities and incorporates community leadership into decision-making in Empowered Communities and Stronger Places, Stronger People locations.
- an extended implementation timeframe for CaFS, commencing in July 2027.

PLACE is continuing to seek a strong role for communities, mostly recently in our consultation submission on draft relational contracting.

This overview shares the key details of the reform for place-based community organisations based on information available from the Department of Social Services (DSS).

Reform overview for communities

- CaFS is a major reform of DSS-funded children and families services, replacing five specific programs with one program. The new program has two broad outcomes and four investment priorities (see details below).
- DSS is designing and implementing the new CaFS program through Outcomes Contracting to enhance continuity of support for children and families and to promote greater stability and sustainability across the sector. Outcomes Contracting was previously referred to as Relational Contracting.
- This approach involves a streamlined process, longer-term partnerships, and a stronger focus on achieving outcomes for children, families, and communities.
- DSS will enter five-year Outcomes Contracts with service providers, enabling services to adapt and improve over time. Consistent with PLACE's submission, community involvement in governance can further enhance outcomes.
- Overall funding will be increased by 12%, with providers able to apply for increased funding where they can demonstrate how this will increase impact and meet community needs.

- Transition to Aboriginal Community-Controlled Organisation (ACCO)-led delivery will be supported through partnership arrangements with ACCOs and a staged transition approach that is responsive to community need, organisational readiness and ACCO capability and capacity.
- Providers will need to show in their grant submissions that their proposed services are informed by what the local community needs. As well as using local data provided by the department, submissions should explain how proposed activities align with any existing community-led initiatives, partnerships, local strategies or shared focus areas. **Communities should ensure providers are aware of local priorities and plans before submissions close in October, where possible.**
- There are likely to be significant changes for the 52 Communities for Children (CfC) communities, as only organisations who hold a direct contract with DSS under one of the five existing programs will be able to participate in the recommissioning process. CfC Facilitating Partner organisations will be able to redesign their funded services as part of the recommissioning approach, including subcontracting. Funded services must not be wholly subcontracted.
- The expected timeline for the program is:
 - 18 September 2026: Grant opportunity opens for eligible providers.
 - 29 October 2026: Grant applications due.
 - January-June 2027: Implementation of outcomes contracting with successful providers.
 - 1 July 2027: CaFS Services begin.

CaFS program details

- From 1 July 2027, the single national CaFS program will replace five existing programs:
 - Children and Parenting Support (CaPS)
 - Family Mental Health Support Services (FMHSS)
 - Communities for Children Facilitating Partners (CfC FP)
 - Family and Relationship Services (FaRS)
 - Specialised Family Violence Services (SFVS).
- Services delivered under CaFS need to align to the program outcomes:
 - Parents and caregivers receive support to guide children's social and emotional growth in families and communities that are safe and strong.
 - Children and young people receive the social and emotional support they need to reach their full potential.
- CaFS funding will be targeted to four investment priorities:
 - To invest early to improve family wellbeing, break cycles of disadvantage, and reduce the need for later interventions like child protection.
 - Connected or integrated activities that work together to meet family needs.
 - Ensure activities are informed by, and respond to, community needs.
 - Improve outcomes for First Nations children and families by increasing the number of ACCOs delivering supports in locations with high First Nations populations (equal to or >2% of total population).
- DSS has also released a draft Impact Placemat in the FAQs, which identifies potential areas of outcome

measurement to understand the impact of the program.

- Providers of the existing five programs will be invited to apply for CaFS grants, with applications including:
 - How they will use current funding to deliver services aligned to CaFS outcomes and investment priorities
 - If they propose to transition services to an ACCO over the life of the grant.
 - If they are applying for new funding to meet community needs
- Details on how providers are expected to identify community need and show that services are informed by local needs are in the DSS CaFS [FAQs](#). This includes a new [community needs mapping tool](#) and specific requirements for organisations delivering services in Empowered Communities or Stronger Places, Stronger People locations.
- DSS will assess applications and make recommendations to the Minister for Social Services, the decision-maker for awarding grants.
- Outcomes Contracting was previously referred to as [Relational Contracting](#). DSS made this change to reflect a shared commitment to delivering better outcomes for families and children. It does not change the approach consulted on and should not be confused with outcomes-based funding.

For more information, see:

- PLACE consultation submission November 2025.
- DSS information on [CaFS program](#), including [FAQs](#).
- DSS draft [Outcomes contracting documents](#) and [PLACE submission August 2026](#).